

Analysis Of The Application Of Good Corporate Governance & Accounting Information Systems In The Management Of Bumdes

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Abstract: *The establishment of BUMDes in Kacongan Village is a manifestation of the Village Government's commitment to explore all existing potential and resources in order to improve the economy and welfare of the Village. However, if the commitment of the village government in establishing BUMDes is not supported by the existence of SIA and Governance capabilities in the management carried out by BUMDes administrators effectively and efficiently, then what happens is that efforts to improve the village economy towards achieving the contribution of Village Original Revenue (PAD) will certainly be very difficult to do. The study aims to determine the application of Good Corporate Governance and Accounting Information Systems in the management of BUMDes in the Village of Kacongan sumenep. The type of data used in this study is quantitative data. The author uses two informants, namely: BUMDES chairman and BUMDES secretary. Based on the results of the study, it shows that the health of BUMDES Kacongan's performance on the principles of implementing Good Corporate Governance is less than optimal in improving community welfare but it is hoped that the planned BUMDes programs will run and are expected to have a positive impact on the people of Kacongan village and the use of BUMDes Kacongan Accounting Information Systems still uses a manual recording system.*

Keywords: *BUMDes, Good Corporate Governance, Accounting Information System*

1. Introduction

The process of achieving the goal of good and clean village financial administration and management, there are still some strategic issues in financial governance, when viewed from several information media. Research conducted by Wardani & Fauzi (2019) states that the management of village funds has implemented the concept of Good Corporate Governance which prioritizes the principles of

accountability, transparency, and responsiveness. The problem lies in the governance of government organizations and the existence of technology which until now has not been able to apply a strong concept in the implementation of maintaining the management of activities to be carried out. Meanwhile, to be able to apply the principles of good organizational management, a concept that can help to improve one of them is the

concept of Governance (Duadji, 2013).

According to Hamid, et al (2019) conducted research on the Application of Good Corporate Governance in BUMDes Sumber Jaya Abadi Governance in Sumberagung Village, Modo District, Lamongan Regency, the results of this study indicate that the principle of transparency of BUMDes Sumber Jaya Abadi has been implemented in accordance with existing principles. BUMDes Sumber Jaya Abadi has never experienced legal violations. BUMDes Sumber Jaya Abadi too. According to Aminullah and Nuzil (2022) conducted research on the Implementation of Good Corporate Governance in Village-Owned Enterprises (Study in Karangjati Village, Pandaan District, Pasuruan Regency) the results of this study that the Karangjati BUMDES has established the principles of good governance, but the maximization of the implementation of the concept has not been maximized further, the development needed is to increase the human resources of the BUMDES management as well as to increase the role of BUMDES partners for the realization of an advanced and transparent BUMDES. According to Putri Nugrahaningsih, Labbaika Dwi Ayu Rahmawati, et al. (2023) conducted research on the Implementation of Accounting Information Systems in Multi-purpose BUMDes in Mobilizing Village Potential with the results of this study that by structuring good financial reports with the concept of accountability and transparency can produce BUMDes that synergize

between the community and business units in BUMDes.

The establishment of BUMDes in Kacongan Village is a manifestation of the Village Government's commitment to explore all existing potential and resources in order to improve the economy and welfare of the Village. However, if the commitment of the village government in establishing BUMDes is not supported by the existence of SIA and Governance capabilities in the management carried out by BUMDes administrators effectively and efficiently, then what happens is that efforts to improve the village economy towards achieving the contribution of Village Original Revenue (PAD) will certainly be very difficult to do. Therefore, accounting information systems are needed both positive and negative impacts on performance in organizations within the local government. To achieve GCG objectives, BUMDes should implement the AIS wisely and consistently, and ensure the system is designed in accordance with the needs and applicable regulations. Thus, the relationship between AIS and GCG can assist BUMDes in better financial management and in fulfilling social and ethical responsibilities to stakeholders.

Researchers consider the importance of urgency regarding writing which has the ultimate goal, namely: first, analyzing the application of Good Corporate Governance to BUMDes in Kacongan Village Sumenep; second, analyzing the application of accounting information systems to BUMDes in Kacongan Village Sumenep.

Researchers have hopes for the results of the study, namely: For the theoretical, it is hoped that it can be developed in the field of education, especially in the implementation of theories and the results of studies, especially regarding the Role of Good Corporate Governance and Accounting Information Systems; For practical purposes, it is hoped that it can be useful in providing thought input and evaluation of BUMDES management to BUMDes Kaongan Management in Sumenep City District to improve various strategic efforts for BUMDes development. In addition, it is also expected to provide information about the role of GCG and AIS in BUMDes as an institution for economic empowerment of village communities.

2. RESEARCH METHOD

Researchers want to know and analyse the application of good corporate governance and accounting information systems in the management of BUMDES in Kaongan Sumenep village. The author used a case study approach in this research. The author uses a case study because the observation location can only be explored because of the observation when using a case study and the instrument for extracting information in the case study. The author uses two informants, namely: the chairman of BUMDES and the secretary of BUMDES. The author uses these informants with the criteria of First, The informants have held positions for at least one period; Second, The informants know about

all organisational structures; Third, The informants understand the application of good corporate governance and accounting information systems in BUMDES management. The author collects data using primary data. Primary data that researchers use are observation results, interview results and documentation results. The author analyses the data by means of data triangulation and data reduction.

3. RESULT AND DISCUSSION

Implementation of Good Corporate Governance in Kaongan Village

Referring to the research findings of BUMDes Kaongan, which shows that BUMDes is still in the basic stage category based on information from the village office and community empowerment. BUMDes continues to operate in a family system. This business was initially established as a savings and loan business, and collaborated with the Indihome team to install wifi and eventually opened an agency for basic necessities. With the hope of achieving the objectives of the business unit, this BUMDes was established through village deliberation. This is the initial programme of BUMDes Kaongan and will continue as the savings and loan business unit develops. The community can more easily increase their business capital if there is already a savings and loan company. Those who really need funding for their business can observe this. The profits of this business unit are used to improve community welfare.

While not obvious, this can help BUMDes generate income, which is then used to fund initiatives to strengthen existing programmes.

The government established BUMDes Kacongan in an effort to fulfil basic needs, especially in the savings and loan industry. In 2023 indihome collaborated with BUMDes Kacongan as an additional business unit so that the community could install WiFi only by registering with the BUMDes business unit section. The opening of a grocery store agent in the village office yard is also a proposal from BUMDes Kacongan.

In order to see the performance of the BUMDes, BUMDes Kacongan is studied using performance analysis with the concept of good corporate governance. In accordance with the existing results can be seen based on the principles, First, Transparency (Transparency) in addition to emphasising the form of participation of BUMDes Kacongan management and the form of cooperation with the village government and village communities the concept of village economic development (honest) in every village economic development activity in the form of cooperation with other parties with this principle in order to create healthy and fair transactions, transparent or communicative must be done by BUMDes Kacongan management in carrying out BUMDes Kacongan management;

Second, Accountability with the statements presented in the interview results, the researcher can

summarise the results found during the research process which states that the principle of accountability has been implemented by all village officials in accordance with their respective tasks and functions. The accountability relationship involves two parties, the authoriser (responsibility) and the recipient. The accountability relationship is considered as something mechanical, the behaviour of the actors can be predicted and controlled (Dwiyani Sudaryanti, 2011). The measuring tool used in assessing the performance of BUMDes is still only limited to regulations from the village government which assigns tasks to BUMDes to run business units which then only report the results of accountability to the village government and the community. Likewise, for BUMDes in accordance with the ideals is also still far away because basically BUMDes Kacongan is still growing so it still needs a lot of improvement. However, efforts to match the ideals still need a process. This is supported by the fact that there is no information circulating about the fraud that occurred in the kacongan village government;

Third, Responsibility responsiveness is the ability to recognise community needs, develop service agendas and priorities, and plan service programmes that are needed by the community. Responsibility as a professional attitude and responsibility towards society is needed as a form of social and environmental responsibility of BUMDes Kacongan so that its management has a good impact and

is optimal and wise. BUMDes Kacongan has good communication with the village government and community as well as other parties. BUMDes Kacongan are smart and highly intellectual so that they can balance their economic affairs and state obligations with this, the BUMDes Kacongan management has a broad insight to be able to manage BUMDes activities effectively and efficiently. BUMDes Kacongan through activity and financial accountability reports are conducted once a month, by looking at the budget and programmes reported to the village head. Furthermore, communication between administrators is carried out to synergise programmes and activities offline (not using online media). Accountability meetings with the village government are also conducted so that activities can run well, activities also involve the community through village meetings. Activities are used to convey information related to BUMDes;

Fourth, Independency of BUMDes needs to be run separately to prevent one organ from controlling the others and prevent outside interference (Prabowo, 2018). Independence and consistency go hand in hand with adherence to the truth. In order for decision-making to be in accordance with the initial objectives, there must be no domination of any party and decision-making is carried out objectively. With the freedom and trust of the community and village government BUMDes Kacongan can run its business in a way that best

suits its objectives, giving it full control over how it is implemented;

Fifth, Fairness and Equality (Fairness) justice as a manifestation especially in the social context, including economic and business justice. Equality (fairness) itself BUMDes Kacongan adheres to a system where according to how much it contributes and its position considering there is no salary system. The recruitment criteria for BUMDes administrators do not look at the educational level but rather the criteria of being outgoing and hardworking for the advancement of BUMDes. Basically, fairness, reasonableness and equality efforts need to be emphasised in their implementation in order to fulfil the rights and obligations of stakeholders which are based on applicable laws and regulations and agreed agreements. BUMDes Kacongan itself accepts suggestions from members, the community and stakeholders for the progress of BUMDes where this is a form of equality where every member in BUMDes has the opportunity and right to have an opinion for the progress of BUMDes. The criteria used for administrators are outgoing, hard-working, and capable in their fields for the advancement of bumdes for the sake of the village community. The village government provides advice to the BUMDes on policy matters as well as providing suggestions and criticism to improve the direction of the BUMDes. The mechanism for providing criticism and advice is by holding a meeting with the BUMDes management to discuss problems and find solutions.

If the village head criticises a policy, it is suggested to go back to the original purpose and impact on community welfare. To avoid misunderstandings, communication is done directly or verbally. The salary structure is then determined by the role and position in the BUMDes.

Implementation of Accounting Information Systems in Kacongan Village

BUMDes Kacongan already has a computerised recording system but the BUMDes Kacongan manager has not been able to operate it, therefore the recording system is still carried out manually, making the process of presenting information data longer. This causes the work to be less effective because all records made must be recorded manually. The obstacles that BUMDes Kacongan often faces when using a manual system are that it takes a long time to produce financial information, when an error occurs in recording it is necessary to re-record in order to get neat results. The obstacles experienced by BUMDes Kacongan can actually be overcome if BUMDes managers want to switch to a computerised system because the computerised system has advantages including reducing costs in the use of paper, making it easier for close and long distance communication, providing convenience in administration, making work faster, input and output of financial reports becomes easier and there are many more advantages in a computerised system.

The use of accounting information systems in village-owned enterprises, Kacongan Village Sumenep, namely; First, planning and supervision at BUMDes Kacongan uses an accounting information system to facilitate discussion of the development of planning and supervision systems. Second, the BUMDes Kacongan budget report is made using an accounting information system that reports the budget to be used for business unit activities and operations within the BUMDes; Third, the accounting information system is used by BUMDes Kacongan operational activities to document transactions that occur in these activities, such as recording income and expenses; Fourth, as a form of BUMDes accountability to the village government and the community, the BUMDes Kacongan accountability report uses an accounting information system to record all actions taken during one year.

The application of information technology and accounting in the village-owned enterprise environment, Kacongan Village Sumenep, namely; First, the maximum use of information technology will facilitate work because it increases productivity and efficiency. In this case, poor information technology management at BUMDes Kacongan has hindered the automation process of information processing from the planning stage to accountability reporting; Second, the application of accounting carried out by BUMDes Kacongan, namely recording all

transactions carried out during operational activities and collecting all existing data and information to produce accountability and financial reports.

Based on the study conducted at BUMDes Kacongan, the results show that the current utilisation of SIA cannot be fully implemented due to limited human resources, causing certain challenges in carrying out work.

4. CONCLUSION

The results of the research Analysis of the Application of Good Corporate Governance and Accounting Information Systems in BUMDes Management in Kacongan Village Sumenep can be concluded that the Application of Good Corporate Governance Principles First, Transparency (Transparency) is emphasized in every village economic development activity in the form of cooperation with other parties with this principle in order to create healthy and fair transactions, transparent or communicative in managing BUMDes Kacongan; Second, Accountability (Accountability) the rules for reporting the calculation of assets for public officials are a form of accountability so that the public can evaluate and supervise the assets of public officials directly. BUMDes runs a business unit which then only reports the results of its accountability to the village government and the community and is submitted through village deliberations; Third, Responsibility as a professional attitude and responsibility towards society is

needed as a form of social and environmental responsibility of BUMDes Kacongan so that its management has a good impact and is optimal and wise; Fourth, Independence (Independency) decision making in order to create objective decisions and the absence of domination from any party is needed so that it can be in accordance with the objectives; Fifth, Fairness and equality (Fairness), BUMDes Kacongan adheres to a system of how much contribution and position considering that there is no salary system. It can also be concluded that BUMDes Kacongan still uses a manual recording system in the use of SIA. The acceptance of BUMDes management is decided by the Village Head through village deliberations with the criteria of not looking at titles so that it is not based on the level of education but the criteria of being friendly and hardworking for the progress of BUMDes Kacongan. The level of application of SIA components to BUMDes Kacongan's revenues and expenses has not fully met the requirements of SIA utilisation. The following three SIA components are appropriate and three are not, of the six components consisting of human resources (HR), procedures and instructions, SIA data, software, infrastructure, and internal control. The non-conforming components are software, internal control, and SIA data. These three elements do not fulfil the requirements for using SIA because they are insufficient.

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